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No. 339

IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

JEROME S. SPEVACK, *Petitioner*

v.

LEWIS L. STRAUSS, ET AL., *Respondents*

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

and

MOTION FOR LEAVE TO USE CERTIFIED RECORD FROM THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT HERETOFORE FILED IN THIS COURT (IN NO. 641, OCTOBER TERM, 1957) IN LIEU OF REDESIGNATING AND RECERTIFYING SAME

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No. .....

JEROME S. SPEVACK, *Petitioner*

vs.

LEWIS L. STRAUSS, ET AL., *Respondents*

MOTION FOR LEAVE TO USE CERTIFIED RECORD FROM THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT HERETOFORE FILED IN THIS COURT (IN NO. 641, OCTOBER TERM, 1957) IN LIEU OF REDESIGNATING AND RECERTIFYING SAME

Comes now the petitioner, Jerome S. Spevack, and through his attorneys moves the Court for leave to use certified record from the United States Court of Appeals for the District of Columbia Circuit in prior petition for certiorari proceedings (*Jerome S. Spevack* v. *Lewis L. Strauss, et al.*, No. 641, October Term, 1957, which petition was granted), in lieu of redesignation and recertification of such documents.

The grounds for this motion are that in the aforementioned previous petition for certiorari which was filed in this Court on December 4, 1957, the Clerk of the United States Court of Appeals for the District of Columbia Circuit after petitioner's "Designation of Record" in that Court, prepared a certified record consisting of 21 separate documents and consisting of 134 pages, which certified record was filed in this Court on December 4, 1957, and is still in the possession of the Clerk of this Court.

Petitioner has filed a second petition for certiorari in this Court to review the decision of the United States Court of Appeals for the District of Columbia Circuit of June 9, 1958. All, or most, of the documents contained in the aforementioned certified record are pertinent to the present petition for certiorari and could be used in lieu of unnecessary redesignation and recertification by the Clerk, and thus Petitioner should only be required to designate such portions of the record of the Court of Appeals as are otherwise pertinent.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

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JEROME S. SPEVACK, *Petitioner*

v.

LEWIS L. STRAUSS, ET AL., *Respondents*

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Jerome S. Spevack, petitioner, prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the District of Columbia Circuit in this case.

No part of this Petition or its appendices contains any disclosure of the secret processes involved, forming the basis of the impounding order of the Court of Appeals, and that Court's Order of August 20, 1958. Under this Court's Order of July 3, 1958 (Appendix F, p. 19a) Respondents' counsel should observe similar caution.

OPINIONS BELOW

The District Court rendered no opinion on entering its Findings of Facts and Conclusions of Law, and Order Denying Petitioner's Motion for a Preliminary Injunction. (R. 17, J. A. 17).[1]

The previous opinion of the Court of Appeals for the District of Columbia Circuit rendered September 19, 1957 (Appendix B, *infra,* p. 9a) is reported at 248 F. 2d 752, 101 U. S. App. D. C. 339.

The opinion of the Court of Appeals of the District of Columbia Circuit of June 9, 1958 which forms the subject matter of this Petition (Appendix D, *infra,* p. 14a) is not yet officially reported.

JURISDICTION

The judgment of the Court of Appeals was entered on June 9, 1958. (Appendix D, *infra,* p. 16a). Petitioner's suggestion that the Court of Appeals should vacate its opinion and judgment contained in his "Answer to Order to Show Cause" (NR 47) which was filed on June 11, 1958, and which was similar to a Petition for Rehearing, was denied on June 24, 1958. (NR 53). The jurisdiction of this court is invoked under 28 U. S. C. Sec. 1254.

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[1] References herein to the Court of Appeals record consisting of 134 pages used in conjunction with the previous Petition for a Writ of Certiorari filed in this matter. (No. 641, October Term, 1957) which forms the subject matter of the motion set forth in the front of this pamphlet, are denoted "(R. .....)". References to the Court of Appeals Record certified to this Court incident to this Petition are denoted "(NR. .....)".

QUESTIONS PRESENTED

1 (WAS STATUTE CORRECTLY INTERPRETED?). Whether the Atomic Energy Act of 1954 is correctly interpreted to direct or authorize the Respondents to deprive a citizen of private property rights in his invention, forming the subject matter of a pending U. S. patent application and disclosed to the U. S. Atomic Energy Commission (sometimes termed A. E. C. hereinafter) in confidence in accordance with law, by publishing and/or publicly disseminating said subject matter without regard to the proprietary right of the inventor thereof, without his consent, and to his detriment—

A (*Where Constitutional Authority is Limited to Property of the United States*). Where said Act must be construed to conform to the limited power given to Congress by the Constitution to dispose only of "*property belonging to the United States*", and not of property which is owned by a private citizen. (Article 4, Section 3 and Amendments IX and X of the Constitution of the United States);

B (*Where Respondents Proposed Disclosure is Not Within the Limited Authority of the Atomic Energy Act*). Where consistent with its powers, Congress in said Act conferred upon the Respondents only limited authority to control dissemination of information: *i.e.*

(1) limited authority under Secs. 141, 144 and 123 for non-public communication to "other nations" cooperating and in privity with the A. E. C. of certain types of "Restricted Data" (as defined in Sec. 11(r) of the Act within

which definitions the Petitioner's invention does not fall), the Act expressly providing in Sec. 173 for compensation for such non-public communication of "Restricted Data" based on any patent application not belonging to the United States", (42 U. S. C. Secs. 2161, 2164, 2153, 2014(r) and 2223);

(2) limited authority under Secs. 2(b) and 3(b) for "permitting the property of the United States to be used by others" including by dissemination of "unclassified" scientific and technical information owned by the United States (or in the public domain), (42 U. S. C. Secs. 2012(b) and 2013(b));

(3) limited authority under Sec. 142(a) for determining the data "within the definition of Restricted Data" which can be published (by the owner thereof) and causing such data to be removed from the category of Restricted Data (defined in Sec. 11(r)) subject to the further limitation under Section 141(b) that dissemination of scientific and technical information relating to "atomic energy" (as defined in the Act, within which definition Petitioner's invention does not fall) "should be permitted and encouraged" (42 U. S. C. Secs. 2162(a), 2014(r), 2161(b);

C (*Where There is No Express Authority in the Act and There Are Specific Statutory Prohibitions*). Where said Act contains no *express direction or authority* to the Respondents to publish and/or publicly disseminate privately owned information disclosed to them in confidence, and no express provision for compensation for such ac-

tion inferring such direction or authority, but on the contrary provides in Sec. 146 (42 U. S. C. Sec. 2166) that the Respondents "shall have no power to control or restrict the dissemination of information other than that granted by this or any other law" and that "sections 141 to 145, inclusive" (42 U. S. C. Secs. 2161-2165) "shall not exclude the applicable provisions of any other laws", e.g.

(1) the general prohibition under penalty of fine and/or imprisonment and removal from office, against the publication or disclosure in any manner of privately owned information received by Respondents as government officials in confidence, 18 U. S. C. Sec. 1905, and

(2) the specific provision of the Patent Law that U. S. patent applications shall be "kept in confidence" by the Patent Office and hence by those in privity with it, 35 U. S. C., Sec. 122 and 37 C. F. R., Sec. 1.14;

D. (*Where Respondents Authority Under the Patent Act to Deal with Information Here Involved Has Been Exhausted*). Where the citizen's invention does not fall within the definition of "Restricted Data" or "atomic energy" as defined in said Act and the sole authority of the Respondents for controlling dissemination thereof was derived, not from said Act, but from the Patent Act of 1952, 35 U. S. C., Secs. 181-188, and was exhausted when they took the following four steps:

(1) when they caused a secrecy order to be issued in said application under 35 U. S. C. Sec. 181 and

(2) when they refused to permit the Commissioner of Patents to consent to modification of the secrecy order to permit filing of applications for foreign patents under 35 U. S. C. Sec. 184, and

(3) when they caused the subject matter of the said application to be used by the United States Government as implicitly authorized by 35 U. S. C. Sec. 183, and

(4) when they subsequently, pursuant to 35 U. S. C. Sec. 181, notified the Commissioner of Patents that the secrecy order might be rescinded;

E (*Where Respondents Proposed Publication Constitutes a Breach of Trust*). Where such publication and/or public dissemination without the inventor's consent would be in violation of the obligations of trusteeship placed upon Respondents by the Patent Act, 35 U. S. C. Secs. 122 and 181-188, the Regulations pursuant thereto, 37 C. F. R. Secs. 1.14 and 5.1 and the Criminal Law applicable to breach thereof 18 U. S. C. Sec. 1905;

F (*Where Respondents Have Not Exercised Specific Authority To Acquire the Private Property Rights Involved for the United States*). Where Congress recognized the constitutional limitations on the government's power to dispose only of property of the United States, by specifically authorizing the A. E. C., by Secs. 161(g) and 261 of the Act, in the "performance of its functions" to acquire or purchase personal property or property rights, such as are here involved, from the

owners thereof as agent for and on behalf of the United States (42 U. S. C. 2201(g) and 2017).

2 (DID THE COURT'S INTERPRETATION RENDER THE STATUTE UNCONSTITUTIONAL AS AUTHORIZING A DISPOSAL OF PROPERTY NOT BELONGING TO THE UNITED STATES?). Whether Sections 3(b), 141 and 141(b) of the Atomic Energy Act of 1954 (42 U. S. C. Secs. 2013(b), 2161, and 2161(b))—interpreted to direct or authorize the Respondents to deprive a citizen of private property rights in his invention, forming the subject matter of a pending U. S. patent application, and disclosed to the A. E. C. in confidence in accordance with law, by publishing and/or publicly disseminating said subject matter without regard to the proprietary rights of the inventor thereof, without his consent, and to his detriment—are unconstitutional, *inter alia,* as in excess of the power given to Congress by Article 4, Section 3 and Amendments 9 and 10 of the Constitution of the United States, to dispose only of "property belonging to the United States", and *not* of property belonging to a private citizen.

3 (DID THE COURT'S INTERPRETATION RENDER THE STATUTE UNCONSTITUTIONAL AS AUTHORIZING A DEPRIVATION OF PROPERTY WITHOUT DUE PROCESS OR COMPENSATION?). Whether an interpretation of Sections 3(b), 141, and 141(b) of the Atomic Energy Act of 1954 (42 U. S. C. Secs. 2013(b), 2161, 2161(b)) to authorize the Respondents to dispose of an inventor's personal property rights in his invention, disclosed to them in confidence, by publishing the subject matter thereof without his consent and without first lawfully

acquiring or purchasing for the United States the right to so dispose of such property as elsewhere provided for in the Act, renders the Act unconstitutional as regards said sections, *inter alia,* as authorizing a deprivation of private property without due process of law, or by taking thereof without provision for just compensation, as required by the 5th Amendment of the Constitution, where the Act does not expressly authorize such action, and does not implicitly authorize such action by an express provision for just compensation therefor.

4 (Does This Action to Enjoin Government Officers From Breaching Confidence and Destroying Private Property Rights of an Inventor Fail to State a Claim on Which Relief Can Be Granted?).

Whether an action, brought by a citizen of the United States against the Respondents to enjoin them from publicly disclosing his invention entrusted to them in confidence, fails to state a claim on which relief can be granted, and should be dismissed:

(a) where the invention and U. S. patent application were revealed to the A. E. C. in confidence; and

(b) where the citizen's proprietary interests as an inventor and applicant for U. S. patent include the prerogative, until a patent issues, of maintaining his invention in secret for preserving his right to seek patent protection and promotion thereof in foreign countries as well as in the United States; and

(c) where the subject matter of a privately owned United States patent application is required to be maintained in secrecy by the United States Gov-

ernment under 35 U. S. C., Secs. 122 and 181 and 37 C. F. R. 1.14 and 5.1; and

(d) where government officers are subject to criminal penalties for divulging information received in confidence, 18 U. S. C. Sec. 1905; and

(e) where the said invention and U. S. patent application were subjected, at the instance of the A. E. C., to security classification and a "Secrecy Order" issued in the U. S. Patent Application under 35 U. S. C. Sec. 181; and

(f) where such "Secrecy Order" prohibited the inventor from making applications for foreign patents on his invention under the International Convention and thereafter, until the subject matter was declassified and the Secrecy Order rescinded on February 1, 1957; and

(g) where the A. E. C. under 35 U. S. C. Sec. 184, refused to consent to modification of the "Secrecy Order" to permit the inventor to file such application even in Canada; and

(h) where the publication threatened by Respondents would destroy proprietary rights of the inventor including his right to apply for and obtain valid patents for the concerned invention in many foreign countries; and

(i) where Congress under the Constitution of the United States, and more particularly under the delegation of powers in Article 4, Sec. 3 and the limitations of powers under the 5th, 9th and 10th Amendments thereto, is forbidden to authorize the A. E. C. to violate private property rights by publicly disclosing privately owned inventions entrusted to it in confidence; and

(j) where Congress recognized this limitation on its powers in Sec. 2(b) of the Act (42 U. S. C. Sec. 2012(b)), and gave authority to the A. E. C. in Sec. 161(g) of the Act (42 U. S. C. 2201(g)) to purchase rights in personal property which it might w.sh to deal with on behalf of the United States, which course has not been followed by Respondents; and

(k) where there is in said Act no express provision for compensation—to the owner of an invention, disclosed to the Atomic Energy Commission in confidence, for property rights destroyed by public dissemination thereof by said Commission without his consent—from which to imply authority to so disseminate; and no express direction to the Commission to so disseminate from which to imply an assumption of liability for just compensation under 28 U. S. C. Sec. 1491.

5 (Was Petitioner Denied a Proper "Hearing" and Was There Competent Proof of Mootness in the District Court?) A question not reached by the Court of Appeals, but proper to be considered by this Court in its discretion, is whether the District Court was in error in concluding that this action was moot, which constituted a final disposition of the case—

(a) when such conclusion was based merely on affidavits filed by Respondents all of which were founded on hearsay and/or were incompetent in other respects,[2] and

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[2] In the case as now presented, the affidavit of John R. Hall, Acting Assistant Manager for International Activities of the Atomic Energy Commission, filed in this Court on July 3, 1958 (Appendix E, *infra*, p. 17a) evidences that in fact there was no publication of the invention here concerned as incompetently al-

(b) where Petitioner was denied a proper "hearing" including the right to cross examine the affiants.

6 (How Could the Injunction Sought Be Futile Where Rights Remain?) A further question not reached by the Court of Appeals but proper to be considered by this Court in its discretion, is whether, assuming *arguendo* that the affidavits filed by the Respondents in the District Court were competent and did show a limited publication by Respondents of subject matter of Petitioner's invention in a certain few countries (without his consent), the District Court was in error in finding that this action was moot, where such limited unconsented publication would not destroy Petitioner's right to apply for and obtain valid patents for the invention in many other countries in the absence of further publication *in* such other countries, respectively, and where the Respondents threaten further promulgations if not enjoined therefrom.

7 (Did the Court of Appeals Comply With This Courts' Mandate?) Further questions presented in this case are;

(a) whether the Court of Appeals properly interpreted and complied with the mandate of this Court,

(b) whether it properly assumed as implied by its decision on remand, that this Court would grant

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leged in the affidavits filed in the District Court. (See reason 5(B) p. 39, *infra*) As shown in the Affidavit of Jerome S. Spevack, filed in this Court on August 25, 1958, a publication not authorized by Petitioner has been made of some of the improved processes involved in Petitioner's patent application as described in his Complaint filed in the United States District Court for the District Columbia, despite the restraining Orders of this Court, but such publication does not render this action moot. (See reasons 5(C) and (E) p. 41, *infra*)

certiorari and vacate a judgment of dismissal to merely correct a matter of procedure in a case deemed properly dismissable, and

(c) whether the Court of Appeals abused its discretion and acted in a manner contrary to the proper functioning of the Federal judiciary in ordering dismissal of the amended complaint without determining the issues of mootness raised by Petitioner's appeal, in the face of the mandate of this Court that it "determine . . . the issues raised by Petitioner's appeal".

CONSTITUTIONAL PROVISIONS, STATUTES, AND RULES INVOLVED

The Constitutional provisions, Statutes, and Rules involved, United States Constitution, Article 1, Section 8; Article 4, Section 3; 5th, 9th and 10th Amendments; Atomic Energy Act of 1954, Secs. 1, 2, 3, 11, 123, 141, 142, 144, 146, 161, 173, 261; Patent Act of 1952, Secs. 122, 181, 184; Code of Federal Regulations, Title 37, Part 1, Sec. 1.14; Part 5, Sec. 5.1; 18 U. S. C. Sec. 1905; 28 U. S. C. Sec. 1491; Federal Rules of Civil Procedure, Rule 56; are set forth in Appendix A, *infra*, pp. 1a-9a.

STATEMENT OF THE CASE[3]

PRIOR TO SUIT

Earlier Invention

In 1942, Petitioner invented a "Dual Temperature" process of isotope concentration. (Publication MDDC-891, United States Atomic Energy Commission, 2

[3] This statement is in somewhat more detail than would otherwise be required, because of inaccurate and misleading statements of opposing counsel in prior pleadings, briefs and arguments in this action.

pages, declassified February 26, 1947.) Though not under patent assignment agreement when that invention was made, Petitioner in 1943 assigned that invention and application for patent thereon to the Government. That invention was held under a "Secrecy Order" until February 1, 1957, and U. S. Patent No. 2,787,526 issued to the Government thereon April 2, 1957. (R. 2, Complaint para. 2, J. A. 2.)[4] Publication of that invention by the Government is not in issue here.

Petitioner was employed at Columbia University by various contractors to the Manhattan Engineering District, predecessor of the A. E. C., from 1943 through June, 1946. After early 1944 that employment had no relation to the aforementioned invention or the invention involved herein, but related to different fields entirely.

Petitioner's New Process; Disclosed to A.E.C. in Confidence

After June, 1946, Petitioner was self-employed during which period he independently invented the improved isotope concentration process, particularly, but not exclusively, adapted for the production of heavy water, involved in the present controversy (hereinafter sometimes called "new process"). On May 27, 1948, he made the existence and availability of his new process known to the A. E. C. (Letter to Burns dated July 2, 1948 attached to Spevack affidavit filed in Court of Appeals, R. 75-76). He disclosed the substance of his new process to the A. E. C. in confidence, in compliance with the spirit of the Atomic Energy Act of 1946, on August 8, 1949 and thereafter. Said disclosures were designated "Classified Security Information" by

[4] See Footnote 1, page 4, *supra*, re record references.

the A. E. C. (R. 1-3, Complaint, paras. 2, 4, 5, J. A. 1, 2, 3).

Petitioner as Independent Contractor Prepared Report for and Rendered Services to A.E.C.

In October, 1949, pursuant to a special contract with the A. E. C. which expressly referred to and reserved his proprietary rights in the new process, he submitted as an independent contractor, a report showing how the new process could be embodied in a heavy water pilot plant (R. 1-2, Complaint paras. 2, 5, J. A. 1-2; and R. 47, J. A. 47). From 1950 to 1953, Petitioner rendered services to the A. E. C. as an independent contractor under further special contracts which expressly referred to and reserved his proprietary rights in his new process, to be made the subject of a U. S. patent application of Petitioner.

Petitioner's Patent Application; Disclosed to A.E.C. by Patent Office; Secrecy Order

The Petitioner duly filed his U. S. Patent Application on his new process September 29, 1950, S. N. 188,925; a copy thereof was supplied by the Patent Office to the A. E. C. on October 23, 1950, pursuant to 35 U. S. C. Sec. 42 (now 35 U. S. C., Sec. 181, Appendix A, *infra,* p. 6a); and on October 31, 1950, the new process was put under "Secrecy Order" at the instance of the A. E. C. (R. 1, 3, 7, 9, Complaint paras. 2, 4, 7, and Exhibit A thereto, J. A. 1, 2, 3, 9).

Effect of Secrecy Order

This Secrecy Order directed Petitioner to in no wise disclose the invention, etc. (new process) in any way to any person, under penalties of law, and hence prevented petitioner from taking any steps toward filing foreign patent applications (R. 3, Complaint

para. 8. J. A. 3). Petitioner sought a modification of the Secrecy Order to permit filing of an application in Canada in 1951, but this was denied by the Patent Office at the instance of the A. E. C. (R. 3, R. 19, Complaint, para. 9, J. A. 3 and Exhibit B to Complaint, J. A. 10).

Petitioner's Plea That Respondents Not Publish His Invention

On February 1, 1957, the "Secrecy Order" was rescinded, and at the same time, the A. E. C. declassified and threatened to publish material disclosing the subject matter of Petitioner's patent application (R. 4, Complaint, para. 11, J. A. 4). Petitioner, through counsel, promptly on February 1, 1957 and thereafter attempted unsuccessfully to obtain firm assurance from the A. E. C. that it would not publish material disclosing the subject matter of his patent application (R. 5, Complaint, para. 14, J. A. 5), pointing out that such publication before he could finance and file patent applications abroad would be a breach of confidence and would destroy property rights of Petitioner in his new process. (R. 4-7 Complaint, paras. 12, 13, 14, 15, 16, 17, J. A. 4-7) and affidavits of Spevack, Parker and Houghton filed in the Court of Appeals. (R. 72-78).

Respondents in Privity With Patent Office

The subject matter of Petitioner's patent application on the new process, all the claims of which have now been allowed by the U. S. Patent Office, is required to be maintained in secrecy by the Patent Office under 35 U. S. C., Sec. 122 (Appendix A, *infra*, p. 5a), and the A. E. C. is in privity with the Patent Office under 35 U. S. C., Sec. 181 (Appendix A, *infra*, p. 6a).

PROCEEDINGS IN DISTRICT COURT (ALL IN 1957)

Suit Filed

When Petitioner's aforementioned efforts failed, he filed on April 10, a Complaint for an Injunction (R. 1, J. A. 1). The jurisdiction of the District Court was invoked under its general powers and equity jurisdiction (R. 1, Complaint, para. 1, J. A. 1) and because the acts threatened by Respondents were "illegal" and "unlawful" (R. 2, Complaint, para. 3, J. A. 2). On April 10 that Court issued a Temporary Restraining Order, *ex parte,* enjoining respondents from publishing the subject matter of petitioner's new process (R. 14, J. A. 14).

Finding of Jurisdiction; Errors; Ground of Decision

On April 18 and 19 proceedings on Petitioner's Motion for Preliminary Injunction were held *in camera* to guard against public disclosures detrimental to Petitioner. The Court specifically found it had jurisdiction and overruled Respendent's contention that this was an unconsented suit against the United States (R. 57-58, J. A. 57, 58). On April 19 *ex parte* affidavits just prepared by employees and agents of Respondents were produced (sole evidence produced by Respondents) which asserted that actions alleged to constitute a publication by Respondents had occurred prior to the institution of this suit. (R. 62-63; J. A. 62-63). The Court denied Petitioner's request to cross-examine the affiants (R. 61, 67; J. A. 61, 67), ignored Petitioner's argument as to the competence of the affidavits (R. 67-71, J. A. 67-71) and denied the motion on the ground of mootness, solely on the basis of said affidavits. The Court issued a Stay pending application to the Court of Appeals (R. 68, J. A. 68). Appeal was noted April 22 (R. 38, J. A. 38).

PROCEEDINGS IN COURT OF APPEALS AND ON MOTION FOR PRELIMINARY INJUNCTION IN THIS COURT (ALL IN 1957

Stay Continued

On April 26, the Court of Appeals ordered Respondents to refrain from disclosures concerning the new process, and ordered the Clerk to continue the impounding of the record and pleadings. On May 28, the appeal was submitted on briefs.

Ruling of No Jurisdiction

The Court of Appeals, on September 19, issued its opinion that the District Court lacked jurisdiction because this was an unconsented suit against the United States (Appendix B, *infra,* p. 9a) and entered judgment directing the District Court to dismiss the complaint (Appendix B, *infra,* p. 11a).

Motion to Amend and Petition for Rehearing

On October 1, Petitioner filed in the Court of Appeals a "Motion for Leave to File an Amended Complaint . . ." (R. 87, amendments without motion, Appendix C, *infra,* p. 12a) to amplify the allegations of jurisdiction, grounded upon 28 U. S. C., Sec. 1653, which statute states "defective alegations of jurisdiction may be amended upon terms in trial or appellate courts", and upon F. R. C. P., Rule 15; and gave written notice of the existence of a constitutional question to the Chief Judge of the Court of Appeals in accordance with that Court's Rule 30. (R. 121) On October 4, a Petition for Rehearing, along with certain motions to maintain the *status quo,* were filed.

Motion and Petition Denied

The Court of Appeals on October 25, denied the Motion for Leave to File an Amended Complaint, etc., (R. 124), and the Petition for Rehearing (R. 123). A stay until October 30 was obtained.

Supreme Court Stay

On October 29, Petitioner filed in this Court his Motion for Preliminary Injunction or Stay. On November 2 "Petitioner's Reply to Respondent's Opposition, . . ." was filed, and on November 4 Petitioner's "Supplement to Petitioner's Reply to Respondents' Opposition . . ." On November 4, the Chief Justice of the United States entered an order enjoining Respondents and their successors from further disclosures of the new process, on terms.

Substitution of Parties, etc.

Subsequent to November 4, the Court of Appeals entered orders staying transmission of judgment (R. 125) and approving a stipulation (R. 131) amending the complaint with respect to parties, and stipulating that the original and new defendants, unless otherwise ordered by the Court, intend to take the action sought to be enjoined by this suit.

THE PROCEEDINGS IN THE SUPREME COURT ON FIRST PETITION FOR CERTIORARI

First Petition for Certiorari

The Petitioner's first Petition for Certiorari to review the decision of September 19, 1957 was filed on December 4, 1957. On March 3, 1958, this Court granted the petition and acted thereon, ruling as follows:

> "PER CURIAM: The petition for certiorari is granted. The judgment of the Court of Appeals, and the orders of the Court of Appeals denying

petitioner's motion for leave to amend the complaint and petition for rehearing, are vacated. The case is remanded to the Court of Appeals with instructions (1) to allow petitioner's proposed amendments to the complaint and (2) to determine, in light of the amended complaint, the issues raised by petitioner's appeal."

First Supreme Court Stay Extended

On March 31, 1958, this Court extended its original stay, stating in part as follows:

> "It is ordered that the stay order of November 4, 1957 be and the stay is hereby continued to permit the United States Court of Appeals for the District of Columbia Circuit to consider and pass on a motion seeking similar relief presented that Court on March 21, 1958."

PROCEEDINGS IN THE COURT OF APPEALS AFTER REMAND. AND ON MOTION FOR PRELIMINARY INJUNCTION. ETC. IN THAT COURT (ALL IN 1958.)

This Court's Order of March 31, 1958 Continued in Effect

On April 16, 1958 the Court Below held in abeyance action on Petitioner's motion for a stay or preliminary injunction filed March 21, 1958 in that Court, thereby leaving in effect this Court's Order of March 31, 1958.

Second Opinion of the Court of Appeals

On June 9, 1958, the Court of Appeals handed down its second opinion in this action (Appendix D, p. 14a) reiterating in substance that the Act authorized the publication sought to be enjoined and stating that: "We now hold that the Constitution does not forbid the publication . . . Appellants amended complaint therefor fails to state a claim on which relief can be granted.", and ordering the case to be remanded to the District Court "with instructions to dismiss the amended complaint".

Order to Show Cause and Proceedings Thereunder

On June 10, 1958, the Court of Appeals issued an order to Appellant (Petitioner) to show cause on or before June 11, 1958 why the motion for a preliminary injunction filed by Appellant on March 21, 1958 should not be denied. On June 11, 1958, Appellant filed his answer to the order to show cause and suggested therein that the Court should *sua sponte* vacate its opinion on the ground that, even if the Atomic Energy Act could properly be interpreted to authorize publications of "scientific and technical information relating to atomic energy" or of material which had been properly classified as "Restricted Data", such authority to publish did not extend to the subject matter of the Appellant's invention (NR 47). Thereafter, the Appellees filed their opposition to Appellant's answer to the order to show cause.

Ruling on Motion for Preliminary Injunction

On June 24, 1958 the Court entered its order which (1) denied Appellant's motion for a preliminary injunction, filed March 21, 1958, but (2) (Appellant having indicated that he intended to apply to the Supreme Court of the United States for a Writ of Certiorari) enjoined the Appellees from further promulgation or disclosures, etc. to and including July 31, 1958, to enable Appellant to apply to the Supreme Court for a Writ of Certiorari and further stay, (3) directed the Clerk to continue the impounding of the record to and including July 31, 1958, and (4) denied Appellant's suggestion that the Court vacate its opinion and judgment of June 9, 1958. (NR 53).

SUPREME COURT STAY AND PROCEEDINGS INCIDENT TO PRESENT PETITION FOR CERTIORARI

On July 3, 1958 the Chief Justice of the United States issued an order enjoining the Respondents from further promulgations of disclosures, etc., concerning the improved processes involved in Petitioner's patent application . . . (Appendix F, p. 19a).

Petitioner's Petition for Discovery to Determine Whether Respondents Have Violated Order of This Court

On August 25, 1958, the Petitioner filed a Petition which called to the attention of this Court certain facts indicating that the Respondents may have violated the Orders of this Court, and prayed that an Order be issued requiring the Respondents to answer certain interrogatories to inform this Court of further facts peculiarly within their knowledge and control. This Petition for Discovery has not yet been acted upon by this Court.

REASONS FOR GRANTING THE WRIT

1. The Writ Should be Granted Because of the Tremendous Importance of the Questions Presented to Our National Welfare and Defense, to the Initiative and Incentive of Scientists and Inventors Cooperating With Government Agencies Such as the A.E.C., and to Such Agencies.

This case involves issues of extreme importance to the Nation, far broader than those involved in the case itself. It involves issues important to government departments and agencies, to Congress drafting and enacting legislation to be administered by such departments etc., and to the scientists, inventors, and others whose secrets may be entrusted to, or dealt with, by such agencies. It involves the guarantees of the Constitution of the United States protecting private property, and the treatment which

U. S. citizens may expect in their dealings with United States government agencies and in particular the A.E.C. It involves proposed destruction of private property, or indiscriminate delivery thereof to private parties in this and foreign countries, under the claim that such destruction of a citizen's property is in the public interest.

This case has received considerable comment in professional and trade journals and in the press in connection with the broad aspects of Government policy. Thus, in the eminent technical journal "CHEMICAL WEEK" for October 5, 1957, p. 52, it is stated that we have in this case an **"important question for industry and individual inventors alike," namely: "By what means can an inventor protect the secrecy of a discovery disclosed to the Government in confidence until he secures United States and foreign patent protection?"** This statement has been adopted as expressing the views of the **Engineers Joint Council,** representing approximately 250,000 of our nation's engineers and scientists, in its Brief Amicus filed in support of the previous petition in January 1958 (No. 641, October Term 1957) in which it states that:

> **". . . the case at bar presents a serious threat to the fundamental rights of our nation's engineers and scientists."**

and

> **"The issues involved in this case affect the welfare and security of our country's engineers and scientists as well as the Atomic Energy Commission. If our nation's inventors have no way of protecting their property rights, which is the necessary result of the decision of the lower court, the initiative of engineers and scientists will be curtailed at a time**

> **when our country is in dire need of scientific knowledge. Such result is contrary to the purpose stated by Congress in the Atomic Energy Act of 1954. The effect of the lower court's decision is to discourage rather than encourage scientific research at the very time in our history when our country is relying on scientific progress for its survival."**

and as stated in the Brief Amicus filed in support of the previous petition by the **American Chemical Society**, representing some 80,000 professional members,

> "This Amicus Curiae, through the submission of its brief herein, supports the petition for a writ of certiorari to the United States Court of Appeals for the District of Columbia Circuit to the end that that Court's decision be reviewed **so that this Court may determine whether the Atomic Energy Act of 1954** (sometimes hereinafter called the "Act") **authorizes the Atomic Energy Commission** (sometimes hereinafter called the "Commission") **to publish details of inventions revealed to it in confidence pursuant to statutory requirements, which inventions in turn are subjects of patent applications, without regard to rights of inventors in respect of their patent applications.** (emphasis supplied)
>
> "The importance of this question to members of the American Chemical Society cannot be overstated. Possibly in no other profession are so many engaged in both basic and applied research. From this research flow thousands of applications for patents each year, many of which, unless the decision below is reversed, would be subject to the arbitrary and confiscatory treatment proposed to be accorded to Petitioner herein."

These very important questions are still present and require an answer by this Court. The decision of the

Court of Appeals of June 9, 1958, is essentially the same as that of September 18, 1957, which was set aside by this Court. It holds that "if" the destruction of property by publication is a "taking" authorized by the Act, then one might seek just compensation in the Court of Claims for the virtually immeasurable value of the intangible rights destroyed. But there is no determination that the publication would constitute an authorized "taking" in the view of the Court of Claims, or that that Court would consider such wanton "destruction" of private property to be a taking of private property "for public use" which would give it jurisdiction, or that the Court of Claims would agree with the holding of the Court below that the Act authorized the "taking" and publication of the owner's trade secrets, contrary to the general law, or that adequate compensation could be obtained for the unique rights of inestimable value destroyed through administrative whim or fiat.

Thus, the Court of Appeals decision of June 9, 1958, is just as erroneous as its prior decision of September 19, 1957, and is equally unpalatable to the scientific community of the nation. The concern of the scientists and engineers reflected in the Briefs of the *Amici Curiae* filed in support of the Petitioner's previous Petition for a Writ of Certiorari obviously applies equally to the present decision, as is also indicated by the editorial appearing in "CHEMICAL WEEK" (published by McGraw-Hill Publishing Co., not associated with either Amicus) for **July 26, 1958,** p. 21 which stated as follows: (emphasis supplied)

> "Jerome S. Spevack's attorneys are currently preparing their case for a new and, most likely, final appearance before the U. S. Supreme Court.

At stake: Spevack's patent rights as the inventor of a heavy-water and deuterium process and, **of broader significance, the rights of future private inventors whose discoveries may be classified by the Atomic Energy Commission.**

"Recognizing the significance of the case—in which Spevack seeks a permanent injunction barring AEC disclosure of his patent application—both the American Chemical Society (ACS) and The Engineers Joint Council filed amicus curiae briefs in support of Spevack's earlier appeal to the Supreme Court.

* * *

"ACS backs up Spevack's arguments, and the joint council goes so far as to say that **"the issues involved affect the welfare and security of our country's engineers and scientists . . ."** The question, in the eyes of the Joint Council: "Under the Atomic Energy Act, does an inventor who complies with the act (by turning over strategic material and information to the government) forfeit his rights under the patent act, which ensures confidential treatment?"

"The case has been lengthy and complicated, having already been heard in three different courts. **The legal technicalities, however, must not be permitted to obscure the fundamental issue: the rights of an individual caught up on the toils of bureaucracy.**

H. C. E. JOHNSON,
Editor-in-Chief"

and by the article appearing at page 46 of this same issue, headed

"The broadly significant case of Jerome S. Spevack is now entering its final and most critical round, and the outcome is likely to provide a benchmark for future relationships between individual inventors and the U. S. Government."

In these days, when scientists and engineers are urgently needed in the race for national survival, it is imperative that their rights be respected, and that their incentives be strengthened through such respect. These considerations and the principles concerned (involving basic guarantees of the 5th, 9th and 10th Amendments to the Constitution, intended to be accorded by our form of government) are submitted to be of such importance as to warrant, and even demand the attention of this Court.

2. Under the Constitution Congress Can Dispose Only of "Property Belonging to the United States", and Therefore Could Not Delegate Any Greater Authority to the Respondents, and a Writ Should Issue to Correct the Contrary Ruling of the Court of Appeals.

The Court of Appeals ruled "We now hold that the Constitution does not forbid the publication" (of the Petitioner's trade secrets). In so ruling, the Court of Appeals overlooked the fact that the invention sought to be published is the *property of the Petitioner,* not property of the United States.

Article IV, Sec. 3 of the Constitution, expressly delegates to Congress the "Power to dispose of . . . Property belonging to the United States". The Ninth and Tenth Amendments to the Constitution provide:

> *Amendment IX*—"The enumeration in the Constitution, of certain rights shall not be construed to deny or disparage others retained by the people."
>
> *Amendment X*—"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people."

These amendments clearly establish that the right to dispose of property belonging to a citizen (or to a

State) is reserved to the citizen (or State) owning it. Therefore Congress has no power to dispose of property not belonging to the United States, and could not legally authorize the Respondents to do so.

This Court has previously recognized that before property not belonging to the United States can be "disposed of" by the United States, it must be acquired by the United States either by purchase or by eminent domain taking with provision for compensation or in other lawful manner. Thus, in *Ashwander v. Tennessee Valley Authority,* 297 U.S. 288, at 300, Chief Justice Hughes stated:

> "Authority to dispose of property *constitutionally acquired by the United States* is expressly granted to Congress by section 3 of Article 4 of the Constitution."
>
> ". . . To the extent that the power of disposition is thus *expressly* conferred, it is manifest that the Tenth Amendment is not applicable. And the Ninth Amendment (which Petitioner's also involves), *in insuring the maintenance of the rights retained by the people,* does not withdraw the rights which are *expressly* granted to the federal government." (emphasis supplied)

Congress has repeatedly recognized in various statutory enactments the constitutional limitation on its power to dispose of private property and property rights, and the right of a citizen to the protection of his trade secrets;

1. In establishing the Federal Trade Commission, Congress provided in 15 U.S.C. 46, in part, that:

> "The Commission shall also have power . . . to make public from time to time such portions of the

information obtained by it hereunder, *except trade secrets . . .*" (emphasis supplied)

2. In establishing the United States Tariff Commission, Congress provided in 19 U.S.C. 1335, in part, that:

> "It shall be *unlawful* for any member of the Commission . . . or any other officer or employee of the United States, *to divulge,* or to make known in any manner whatever not provided for by law, to any person, the *trade secrets or processes* of any person, firm . . . embraced in any examination or investigation conducted by the Commission . . ." (emphasis supplied)

3. On June 25, 1948 the provisions of 19 U.S.C. 1335 were incorporated into and replaced by 18 U.S.C. Sec. 1905 (U.S. Criminal Code) in which Congress provided, in part, that:

> "*Whoever, being an officer or employee of the United States* or of any department or agency thereof, *publishes, divulges, discloses, or makes known in any manner* or to any extent not authorized by law any *information coming to him . . . which* information *concerns or relates to the trade secrets, processes* . . . of any person, firm . . . shall be fined not more than $1000, or imprisoned for not more than one year, or both; and shall be removed from office or employment." (emphasis supplied)

4. In guaranteeing secrecy of information to the inventor who cooperates in the objectives of Article 1, Section 8 of the Constitution "to promote the progress of science and useful arts" Congress provided under 35 U.S.C. 122 of the Patent Laws that:

> "*Applications for patents shall be kept in confidence* by the Patent Office and no information

> concerning the same given without authority of the applicant or owner . . ." (Emphasis supplied)

In connection with the foregoing, Respondents themselves, in the several Agreements for Cooperation for Civil Uses of Atomic Energy entered into under the Atomic Energy Act have recognized and set out specifically their lack of authority to disclose privately owned information. These agreements, in most instances, have been executed on behalf of the United States by various ones of the Respondents personally. Typical examples of this acknowledgement by Repondents are Article I(D) of the "Agreement for Cooperation on Civil Uses of Atomic Energy between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland" (TIAS 3321, June 15, 1955), and Article III(C) of the "Agreement for Cooperation between the Government of the United States of America and the Government of the Federal Republic of Germany concerning Civil Uses of Atomic Energy" (TIAS 3877, July 3, 1957), which provide in each instance:

> "This Agreement shall not require the exchange of any information which the Parties are not permitted to communicate because the information is privately owned or has been received from another government."

It is therefore apparent that the lower Court was in error in sanctioning Respondents' proposed disposal of property not owned by them or by the United States; that such ruling is in conflict with the Constitution and all precedent; and that therefore the issuance of a writ is warranted.

3. The Writ Should be Granted Because the Erroneous Decision of the Court of Appeals Proclaims in Effect That Government Officers May Ignore Plain Limitations on Their Statutory Authority

The Decision of the Court of Appeals in ruling, inter alia, in substance that the Respondents have the authority to affect dissemination or publication of information entrusted to them in confidence without regard to the rights of the private owners thereof, ignores the specific statutory limitations of the Atomic Energy Act of 1954.

In this connection, Congress, in its "Findings" (Sec. 2b, 42 U.S.C. 2012b),[5] found only the power to permit "the property of the United States to be used by others". This provisions does not include Petitioner's invention here involved or his personal property rights relating thereto, since such are **not property of the United States.** (Complaint, paras. 2, 18b, R. 1, J.A. 1)

To effectuate the policies set forth in Section 1b of the Act (42 U.S.C. 2011b), among others, Congress provided authority for "a program for the dissemination of *unclassified* scientific and technical information . . . subject to appropriate safeguards" (Sec. 3b, 42 U.S.C. 2013b). However, Petitioner's information is *not unclassified* but is *secret* and was confidently disclosed to Respondents not only under an agreement expressly reserving Petitioner's proprietary rights (Complaint, Par. 2, R. 1, J.A. 1) but also under 35 U.S.C. 181 which bound Respondents to the secrecy provisions of 35 U.S.C. 122 (Complaint

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[5] All statutory references and federal regulations mentioned in this reason are set forth in Appendix A, infra.

paras. 4, 5, 18d (R. 1, J.A. 1). The statutory confidential relationship between the Petitioner, the Patent Office and the Respondents is further emphasized in the Code of Federal Regulations governing the practice and procedure in the Patent Office (C.F.R. Title 37, Secs. 1.14 and 5.1), and in the pledges of the Access Acknowledgement required by the Patent Office (Appendix G, *infra,* p. 20a).

Respondents' authority with respect to the "Control of Information" is clearly set forth in Chapter 12 of the Act where it is specifically limited to (1) "the dissemination and declassification of Restricted Data . . ." (Sec. 141, 42 U.S.C. 2161), subject to the further limitation, (2) that "The Commission shall be guided" by the principle that "the dissemination of scientific and technical information relating to atomic energy should be permitted and encouraged . . ." (Sec. 141b, 42 U.S.C. 2161b), and in furtherance whereof it is provided (3) that "The Commission shall from time to time determine the data, within the definition of Restricted Data, which can be published . . . and shall cause such data to be declassified and removed from the category of Restricted Data" (Sec. 142a, 42 U.S.C. 2162a). Then, so that there might be no mistake that Respondents powers do not exceed the limited authority thus expressly delegated, Congress further provided that "the Commission shall have no power to control . . . the dissemination of information other than as granted by this or any other law" (Sec. 146b, 42 U.S.C. 2166b).

Sections 123, 141 and 173 of the Act (42 U.S.C. 2153, 2161 and 2223) give the Respondents limited authority to communicate to parties in privity with them, including foreign nations, in confidence, in-

formation contained in privately owned U. S. patent applications where such information falls within the limited category of "Restricted Data" as defined in the Act. But Petitioner's processes do not now and never did properly fall within that limited category, and even if such information had at one time been properly so classified, Respondents removed it therefrom as soon as they exercised their limited authority (Sec. 2b, 42 U.S.C. 2014b),[5] found only the power to to "cause such data to be declassified and removed from the category of Restricted Data" under Sec. 142a of the Act (42 U.S.C. 2162a).

More specifically, the Petitioner's invention does not fall within the category of "Restricted Data" as defined in Section 11r of the Act (42 U.S.C. 2014r) because:

(1) Petitioner's or any other method for concentration of the lower atomic weight isotopes does not concern "the design, the manufacture or utilization of atomic weapons" or "the production of special nuclear materials, or the use of special nuclear material in the production of energy", and (2) is specifically excluded from the category of "Restricted Data" since it was of material "declassified . . . pursuant to Section 142" of the Act. Furthermore, although by Petitioner's invention Respondents have produced heavy water (also producible by other processes) this product does not fall within the definition of "Special Nuclear Material" as defined in the Act (Sec. 11t, 42 U.S.C. 2014t).

Petitioner's invention here involved relates to an improved mode of conducting the publicly known dual temperature method of isotope concentration, which method is but one of at least four different

industrial processes that have been used by Respondents and others to produce heavy water. All of these other processes are already well known to the public. The importance and value of Petitioner's invention here concerned and a reason why it was chosen for production purposes by the U. S. Atomic Energy Commission rests largely in its economic advantages over other procedures.

It is apparent that Congress intended to conform to the Constitutional limit on the power of the Government to dispose only of **property of the United States** because Congress specifically authorized the Atomic Energy Commission "In the performance of its functions" to "acquire" and "purchase . . . personal property, including patents, . . . on behalf of the United States . . . and dispose of such property as provided in this Act." (Sec. 161g, 42 U.S.C. 2201g). Furthermore, Congress expressly provided for such acquisition of personal property in strict conformity with the Fifth Amendment to the Constitution when they "authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act . . ." (Sec. 261, 42 U.S.C. 2017). Only after personal property or property rights have been acquired by the United States can Respondents dispose of same. Respondents cannot exercise mere fiat to "take" such property under the limited authority conferred by the Act.

Respondents have refused to take steps which would **"encourage"** and **"permit"** Petitioner to adequately protect his property here involved so as to enable him to publish the information at the earliest possible date. Furthermore, Respondents have never made

any attempt to purchase Petitioner's property right of first publication here involved on behalf of the United States pursuant to the authority delegated in Section 161g, 42 U.S.C. 2201g.

It is of vital importance to the functioning of our government based on law that government agents not abuse or extend their limited authority conveyed to them by Congress. This Court clearly announced the responsibility of government officers in this regard when in *Peters* v. *Hobby,* 75 S. Ct. 790, 349 U.S. 381, 99 L. ed. 1129, it said:

> "Agencies whether created by statute or executive order must of course be free to give reasonable scope to terms conferring their authority. But they are not free to ignore plain limitations on such authority."

The Court of Appeals' interpretation of Respondents limited authority to include the authority to dispose of privately owned property without consent of the owner is a flagrant miscontruction of the Act, which should of course be construed so as to not do violence to the Constitution. As such, it warrants the issuance of a Writ of Certiorari.

4. The Writ Should be Granted Because the Court of Appeals Has Failed to Carry Out the Mandate of This Court "to Determine in Light of the Amended Complaint, the Issues Raised by Petitioner's Appeal".

The court below, after entry of the amended complaint as directed by this Court, (1) reiterated its prior ruling that "Congress has authorized this sort of publication", (2) stated "We now hold that the Constitution does not forbid the publication", (3) ruled "Appellant's amended complaint therefor

fails to state a claim on which relief can be granted", and (4) ordered "The case is remanded to that Court (the District Court) with instructions to dismiss the complaint."

Neither the Opinion nor the Judgment of June 9, 1958 rested the Order to dismiss on "lack of jurisdiction". Assuming the Court of Appeals meant what it said, "Appellant's amended complaint therefore fails to state a claim on which relief can be granted", and meant to refrain from directing the District Court to dismiss the case on jurisdictional grounds, then the Court below failed to follow the mandate of this Court "to determine in the light of the amended complaint, the issues raised by Petitioner's appeal" in that it failed to decide the issue of mootness, which was an important issue raised by Petitioner's appeal. Thus the Court of Appeals failed to render its opinion on each of the issues before it for the consideration of this Court in its determination of whether to grant Certiorari, and in its ruling on the case if it saw fit to do so. This failure to follow the Mandate of this Court is in itself a sufficient reason to grant the Writ.

5. This Case Is Not "Moot"; (A) the Conclusion of Mootness of the District Court, Not Ruled Upon by the Court of Appeals, Represents a Gross Miscarriage of Justice Warranting Exercise of This Court's Power of Supervision of the Federal Judiciary; (B) Respondents' Pleadings in This Court so Indicate; (C) The Recent Publication, Without Petitioner's Consent, of a Part of Petitioner's Improved Processes Has Not Altered the Situation; (D) Unconsented Publication Is Not a Bar in Some Countries; (E) Unconsented Publication Does Not Relieve Confidant of Obligations.

(A)

Petitioner was not accorded a "hearing" in the District Court, as contemplated by F.R.C.P., Rule 65(a), which reads "Rule 65, Injunctions. (a) Preliminary; Notice. No preliminary injunction shall be issued without notice to the adverse party", in that he was refused the requested opportunity to cross-examine the affiants whose affidavits were presented (R. 61, 67, 68, J.A. 61, 67, 68). Cases hold that the provision for "notice" therein contemplates a "hearing" with the right to present oral testimony, *and* the right to cross-examine opposing witnesses. See 7 *Moore's Federal Practice,* 2nd Ed. par. 65.04(3), p. 1637, quoting from *Sims* v. *Greene,* C.C.A. 3, 1947, 161 F.2d 87, 88-89. See also, 3 *Barron and Holtzoff,* 1956 pocket part, par. 1433, p. 104, which states in part: ". . . Doubtful questions of law and fact should not be determined on affidavits on an application for preliminary injunction . . .", (citing cases) and 7 *Moore's Federal Practice,* 1638, which states: "On the hearing for the injunction . . . the court should normally be reluctant to decide controverted factual issues in favor of movant (or against him) on the basis of affidavits alone". This would seem to be particularly important unless some standard as to the

contents of the affidavits is required, such as that of F.R.C.P., Rule 56(e) Appendix A, *infra,* p. 9a) which the District Court failed to do. Otherwise, extremely important cases could be disposed of on Motion for Preliminary Injunction on flimsy affidavits, without the right of cross-examination. See 7 *Moore's Federal Practice,* p. 1640. This was vainly urged upon the Trial Court (R. 61, 67, 68, J.A. 61, 67, 68).

Even assuming arguendo that no hearing was required, and that the affidavits presented were competent, they did not prove the case moot. In many countries, as shown by the affidavits of Parker, Spevack and Houghton (R. pp. 72-78), there must be a publication *in* the country concerned, as distinguished from another country or countries, in order to destroy an inventor's right to obtain a patent in the country concerned. There was no showing of a publication in every country in the world, and thus no showing of complete mootness.

The District Court's conclusion of law was thus improperly founded upon a mere assumption of fact.

The extrapolation of conclusions of law dispositive of the case, if not reversed, from mere assumptions based on incompetent affidavits, and without a proper "hearing", represents a gross miscarriage of justice, warranting issuance of a writ.

(B)

The Respondents' memorandum filed in this Court on July 3, 1958 states in part:

> "The major purpose of this litigation has been to prevent publication of information . . . In this purpose, Petitioner has been successful."

It follows, of course, that if Petitioner's information had been published by Respondents prior to the instant suit, Petitioner's purpose to prevent such publication could not have been "successful" as admitted by Respondents.

John G. Hall, Acting Assistant General Manager for International Activities of the A.E.C., in an Affidavit (Appendix G. *infra,* p. 17a) filed with said memorandum, stated under oath:

> "That the temporary restraining orders . . . have precluded . . . disseminating considerable information on the subject of the dual temperature exchange process for the production of heavy water;

and refers to

> "the inability to disseminate and publish such information . . ."

It is now obvious, therefore, that there was still in the possession of the Respondents information concerning the improved processes involved in Petitioner's patent application as described in his complaint, within the scope of this Court's Orders, which admittedly had not been published prior to July 3, 1958. This was not known to the District Court because of the lack of a proper hearing, and that Court's ruling of mootness was thus clear error and resulted in a gross miscarriage of justice.

(C)

Apparently as the result of a dissemination initiated by the Respondents, and as the result of their failure to take steps necessary to prevent further dissemination in order to comply with the Orders of this Court,

a portion of the improved processes involved in Petitioner's patent application has been published without Petitioner's consent during July 1958 (see Petition for Discovery filed in this Court on August 25, 1958). Since this publication discloses only part of the subject matter of Petitioner's invention within the scope of this Court's Orders, it does not render this case moot.

(D)

Furthermore in a number of countries following British Law, an unconsented publication prior to the filing of a patent application is not a bar to the obtaining of a valid patent thereon. Thus, even as to the matter dealt with in the publication referred to in said Petition for Discovery, such publication does not render this case moot.

(E)

Finally, the Respondents are not relieved of their obligation to hold in confidence the Petitioner's invention disclosed to them, until the Petitioner himself makes a general publication of the subject matter concerned, or expressly or impliedly consents to its publication. cf. *Sandlin et al* v. *Johnson* (C.C.A. 8) 141 F(2d) 660, 61 U.S.P.Q. 71; *Du Pont* v. *Masland* (1917) 244 U.S. 100; *James* v. *Campbell* (1882) 104 U.S. 356, at 358. Hence, partial breach of confidence, if accomplished, does not render the Court powerless to grant relief against further breach of confidence.

6. A Grant of Discovery as Prayed Will Warrant Issuance of a Writ

If the Petition for Discovery filed in this Court by Petitioner on August 25, 1958 is to be granted, a Writ should issue to maintain in effect this Court's Order of July 3, 1958, and to aid this Court in taking appropriate action based not only on the facts thereby developed but also on the facts shown by the record herein.

CONCLUSION

Because the erroneous decisions below have in the respects above noted raised questions of great public interest, as well as questions of Constitutional interpretation and unconstitutionality of the Atomic Energy Act of 1954, the propriety of deciding mootness without a "hearing", and questions of law ancillary thereto, all of which should be settled by this Court, the Petition for a Writ of Certiorari should be granted.

Respectfully submitted,

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